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**GOVERNMENT OF INDIA
MINISTRY OF FINANCE**

NOTIFICATION

New Delhi, the 15th June, 1950

No. D-5550-B.II/50. Subscriptions for an issue of 3 per cent. Loan, 1964 will be received from the 19th June 1950. Subscriptions may be in the form of cash or of 2½ per cent. Bonds, 1950. The Loan will be closed without notice as soon as it appears that the total subscriptions in cash and in 2½ per cent. Bonds, 1950, amount approximately to Rs. 30 crores (Nominal) and in any case not later than the close of business on the 21st June 1950. If the total subscriptions at the close of business on the 19th June 1950 exceed Rs. 30 crores (Nominal), partial allotment will be made to subscribers in cash. If partial allotment is made in respect of subscriptions received in cash, a proportionate refund will be made at the time of issue of the new securities. No interest will be paid on the amounts so refunded.

3 per cent. Loan, 1964 issued at Rs. 100 per cent. and redeemable at par on the 15th June 1964.

2. Date of repayment.—The Loan will be repaid at par on the 15th June, 1964.

3. Issue Price.—The issue price will be Rs. 100 for every Rs. 100 of the loan applied for.

4. Interest.—The loan will bear interest at the rate of 3 per cent. per annum, from the 15th June 1950. Interest will be payable half-yearly on the 15th June and the 15th December and will be liable to income-tax.

Interest for a full half-year ending the 14th December 1950 at the rate of 3 per cent. per annum will be paid on the 15th December 1950 on the securities issued under the terms of this notification.

Refunds of income-tax will be obtainable by holders of the loan who are not liable to income-tax or who are liable to income-tax at a lower rate.

An individual holder can also obtain on application a certificate from the Income-tax Officer of the district authorising deduction of income-tax at the rate applicable in his case when tax will be deducted at that rate instead of at the maximum rate.

5. **Place of payment of interest.**—Interest on the loan will be paid at any treasury or sub-treasury in India and at the Public Debt Offices at Bombay, Calcutta, Delhi and Madras.

CONVERSION TERMS

6. Securities of the $2\frac{1}{2}$ per cent. Bonds 1950 will be accepted at par in payment of subscriptions to the 3 per cent. Loan, 1964.

Interest on the securities of the $2\frac{1}{2}$ per cent. Bonds 1950 tendered for conversion will be paid up to and including the 15th July 1950 at the rate of $2\frac{1}{2}$ per cent. per annum at the time of issue of the new securities.

SUPPLEMENTARY PROVISIONS

7. The loan will be issued in the form of—

(i) Stock, the applicants for which will be given Stock Certificates, or

(ii) Promissory Notes.

If no preference is stated by the applicants, the securities will be issued in the form of Promissory Notes.

8. **Applications for the loan.**—Applications for the loan must be for Rs. 100 or a multiple of that sum.

9. Applications will be received at the offices of the Reserve Bank of India, Bombay, Calcutta, Delhi and Madras and at branches of the Imperial Bank of India at other places in India.

10. Applications may be in the form attached hereto or in any other form which states clearly the amount and description of the securities required, the full name and address of the applicant, and the treasury or sub-treasury at which he desires that interest shall be paid.

11. Applications should be accompanied by the necessary payment in any of the forms mentioned below:—

(a) *Cash or Cheques.*—Cheques tendered at offices of the Reserve Bank of India or the Imperial Bank of India should be drawn in favour of the Bank concerned.

(b) *$2\frac{1}{2}$ per cent. Bonds 1950.*—Applicants who tender securities in payment must transfer such securities to Government—

(i) in the case of Stock Certificates, by signing the form of transfer deed on the reverse of the Certificate before a witness:

(ii) in the case of Promissory Notes, by endorsing them in the manner indicated below:—

“Pay to the President of India”.

12. Brokerage will be paid at the rate of 1/16 per cent. to recognised bankers and brokers on allotments made in respect of applications for the loan bearing their stamp.

FORM OF APPLICATION

I

We

herewith

tender cash Rs. _____

Cheque for Rs. _____

2½ per cent. Bonds, 1950, of the nominal value of Rs. _____ and

request that securities of the 3 per cent. Loan, 1964, of the nominal value of

Rs. _____ may be issued to $\frac{\text{me}}{\text{us}}$ in the form of Promissory Note(s)*,
Stock Certificate(s),

interest to be payable at _____

Signature _____

Name (in full) _____

Address _____

Dated the *June 1950.*

NOTE 1.—Securities tendered for conversion should be endorsed with the words "Pay to the President of India" over the signature of the applicant, if they are in the form of Promissory Notes, and the transfer deed on the back should be signed by him before a witness, if they are in the form of Stock Certificates.

NOTE 2.—Separate application should be made for each form of subscription and for each form of scrip (Stock Certificate or Promissory Note) of the new Loan required.

* Promissory Notes will be issued in denominations of Rs. 100, Rs. 200, Rs. 500, Rs. 1,000, Rs. 5,000, Rs. 10,000, Rs. 25,000, Rs. 50,000 and Rs. 1,00,000. State here particular denominations required.

By order of the President,

K. G. AMBEGAOKAR,

Secretary to the Government of India.

